Decision No. <u>24868</u>.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

)

In the Matter of the Application of JOHN MASSING for a certificate of public convenience and necessity to operate an automobile stage service, as a common carrier, between United States Veterans' Hospital and Menlo and Coleman Avenues, Palo Alto.

Application No. 18193.



BY THE COMMISSION:

$\underline{O} \ \underline{P} \ \underline{I} \ \underline{N} \ \underline{I} \ \underline{O} \ \underline{N}$

John Massing has made application for a certificate of public convenience and necessity extending his operative rights between the Southern Pacific depot at Palo Alto and U.S. Public Health Service Station (otherwise known as U.S. Veterans' Hospital) as authorized by Decision No. 24010 on Application No. 17631 dated September 8, 1931. The extension is from the Veterans' Hospital on Willow Road to the junction of Menlo and Coleman Avenues in Palo Alto.

Applicant's present service follows the route north of Palo Alto to the entrance of the Veterans' Hospital. From this point it is proposed to extend the service 1.3 miles via Willow Avenue to Bay Road thence to Menlo Avenue, thence to Coleman Avenue and returning to Bay Road by Berkeley Avenue.

Applicant proposes rates and time schedules for the service as indicated in Exhibits "A" and "B". The one way fare between Palo Alto and the new terminus will be 15 cents, the same as that now maintained from and to Base Hospital. A 50 ride 40-day commutation fare between all points served is also proposed. This fare will supersede the present 50 ride 30-day commutation fare between Palo Alto and Base Hospital. Applicant proposes to operate 29 schedules daily, all of which will reach the Veterans' Hospital and fourtaon of which will continue to the Menlo and Coleman Avenues terminal.

No other common carrier conducts service in the area. This is a matter in which we believe a public hearing is not necessary and that the application should be granted as an extension and enlargement of applicant's present service.

John Massing is hereby placed upon notice that "operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state which is not in any respect limited to the number of rights which may be given.

<u>order</u>

John Massing having made application to the Railroad Commission for certificate of public convenience and necessity to operate an automobile stage service as a common carrier between United States Veterans' Hospital and Menlo and Coleman Avenues in Palo Alto.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment of passenger automobile service between U.S. Public Health Service Station also designated as United States Veterans' Hospital and Menlo and Coleman Avenues, Palo Alto, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same is hereby granted to John Massing subject to the following conditions:

-2-

1. The certificate herein granted is an enlargement and extension of the rights previously granted by this Commission by Decision No. 24010 on Application No. 17631 dated September 8, 1931 and is not a new or separate operating right.

2. Applicant shall file his written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.

3. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than ten days' notice to the Commission and the public a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application insofar as they conform to the certificate herein granted.

4. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from date hereof, on not less than five (5) days' notice to the Commission and the public, time schedules, according to form provided in General Order No. 83, covering the service herein authorized, in a form satisfactory to the Railroad Commission.

5. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.

6. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this $\frac{3^{4}}{2}$ day of

1932.